

HOUSE BILL REPORT

HB 1825

As Reported by House Committee On:

Higher Education
Appropriations

Title: An act relating to modifying the definition of resident student to comply with federal requirements established by the veterans access, choice, and accountability act of 2014.

Brief Description: Modifying the definition of resident student to comply with federal requirements established by the veterans access, choice, and accountability act of 2014.

Sponsors: Representatives Kilduff, Muri, Gregory, Haler, Riccelli, Walkinshaw, Zeiger and McBride; by request of Governor Inslee.

Brief History:

Committee Activity:

Higher Education: 2/11/15, 2/18/15 [DPS];

Appropriations: 2/24/15, 2/27/15 [DP2S(w/o sub HE)].

Brief Summary of Second Substitute Bill

- Modifies the definition of resident student for veterans of the uniformed services, including spouses and dependents receiving veterans administration educational benefits, to comply with the Veterans Access, Choice, and Accountability Act of 2014.
- Adds a definition for "active duty service" and "uniformed services."
- Adds an emergency clause with an effective date of July 1, 2015.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Hansen, Chair; Pollet, Vice Chair; Zeiger, Ranking Minority Member; Haler, Assistant Ranking Minority Member; Bergquist, Gregory, Hargrove, Holy, Reykdal, Sells, Stambaugh, Tarleton and Van Werven.

Staff: Megan Mulvihill (786-7304).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background:

In order to qualify as a resident student, a student who separates from the military under honorable conditions after serving for two years, needs to have entered an institution of higher education within one year of separation, and needs to have either designated Washington as their intended place of residence at the time of separation, made Washington their official home of record, or moved to Washington and established a domicile.

The spouse or dependent of a person who separated from the military under honorable conditions after at least two years of service who designates Washington as their intended place of residence and their primary domicile, qualifies as a resident student if they enter an institution of higher education in Washington within one year of their partner's separation from the military.

The Veterans Access, Choice, and Accountability Act (Act) was enacted in 2014 with four overarching goals: (1) improve access to and quality of care for veterans; (2) expand the Department of Veterans Affairs internal capacity to provide timely care to veterans; (3) provide real accountability for incompetent or corrupt senior managers; and (4) improve education benefits for veterans and dependents.

To improve education benefits for veterans and their dependents, public institutions of higher education are required to provide in-state tuition to veterans and eligible dependents in order for the institution to remain eligible to receive payments from the All-Volunteer Force Education Assistance Program (Montgomery GI-Bill) and Post-9/11 Educational Assistance (Post-9/11 GI Bill). The Act defines an individual eligible to receive in-state tuition as: (1) a veteran who was discharged or released from a period of not fewer than 90 days of service in the active military, naval, or air service less than three years before the date of enrollment in the course concerned; or (2) an individual who is entitled to education assistance benefits due to the individual's relationship to a veteran described in (1).

Summary of Substitute Bill:

A student qualifies as a resident student if one of the following three conditions is met:

1. He or she separated from the uniformed services with any period of honorable service after at least 90 days of active duty service and entered an institution of higher education in Washington within three years of the date of separation.
2. He or she is the spouse, former spouse, or child entitled to veterans administration educational benefits based on their relationship to an individual who has separated from the uniformed services with any period of honorable service after at least 90 days of active duty service, and they enter an institution of higher education in Washington within three years of the date of separation.
3. He or she is a student entitled to veterans administration educational benefits based on their relationship with a deceased member of the uniformed services who completed at least 90 days of active duty service and died in the line of duty and is enrolled at an institution of higher education in Washington within three years of the service member's death.

A student meeting one of these conditions who stays continuously enrolled in an institution of higher education will retain their resident student status. None of the conditions listed apply to students, or the student's spouse or parent, who received a dishonorable discharge unless the student is receiving veterans administration educational benefits.

Active duty service means full-time duty, other than active duty for training, as a member of the uniformed service of the United States. Active duty service as a National Guard member for the purpose of organizing, administering, recruiting, instructing, or training and active service for the purpose of responding to a national emergency is recognized as active duty service.

"Uniformed services" is defined by federal law, which consist of the United States Army, Marine Corps, Navy, Air Force, Coast Guard, Public Health Service Commissioned Corps, and the National Oceanic and Atmospheric Administration Commissioned Officer Corps.

Substitute Bill Compared to Original Bill:

The provisions in the substitute bill align with federal law by clarifying that only those spouses and dependents receiving veterans administration educational benefits qualify as a resident student and by replacing "military" with "uniformed services." Additional language was added to state that a qualifying student will retain resident status as long as they remain enrolled, and that none of the conditions apply to veterans with dishonorable discharges unless the veteran, or their spouse or dependent, are receiving veterans administration educational benefits. "Uniformed services" is defined, and an emergency clause is added.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect on July 1, 2015.

Staff Summary of Public Testimony:

(In support) Families are often priced out of higher education. The Act promotes access by helping make education affordable to members of the military and their families by qualifying them for resident student tuition rates. The bill also brings Washington into compliance with federal law. Failure to enact this legislation means the state's institutions of higher education would no longer qualify to receive GI Bill payments. This affects every state, not just Washington. There are around 22,000 veterans in the state's higher education system, and around \$62 million of federal funding is at risk.

The GI Bill benefits motivated many people to enter the military and to go to school. Veteran students bring a wealth of knowledge, wisdom, and diversity to college campuses, and they deserve to use their benefits at Washington schools.

(Opposed) None.

Persons Testifying: Representative Kilduff, prime sponsor; Jim Baumgart, Office of the Governor; Scott Copeland, State Board for Community and Technical Colleges; Maddy Thompson, Washington Student Achievement Council; Ted Wicorek, Veterans Legislative Coalition; Antonio Sanchez, Central Washington University; and Heather Heffelmire, Washington Student Association.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Higher Education. Signed by 24 members: Representatives Hunter, Chair; Ormsby, Vice Chair; Parker, Assistant Ranking Minority Member; Carlyle, Cody, Dunshee, Haler, Hansen, Hudgins, S. Hunt, Jinkins, Kagi, Lytton, MacEwen, Magendanz, Pettigrew, Sawyer, Senn, Springer, Stokesbary, Sullivan, Tharinger, Van Werven and Walkinshaw.

Minority Report: Do not pass. Signed by 7 members: Representatives Chandler, Ranking Minority Member; Buys, Condotta, Dent, G. Hunt, Schmick and Taylor.

Minority Report: Without recommendation. Signed by 2 members: Representatives Wilcox, Assistant Ranking Minority Member; Fagan.

Staff: Catrina Lucero (786-7192).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Higher Education:

The second substitute bill corrects an internal reference.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Second Substitute Bill: The bill contains an emergency clause and takes effect on July 1, 2015.

Staff Summary of Public Testimony:

(In support) This bill will preserve GI Bill funding for our state and allow veterans and their families to continue accessing higher education. The cost created by this bill is associated with expanding access. If no action is taken the cost of losing GI Bill funding and the disruption to students currently receiving funding would be far greater than the costs reflected in the fiscal note. The state has a long history of leading the nation in veterans initiatives. Aligning with the federal law ensures continued assistance to more than 20,000 veterans currently enrolled and opens opportunities for new transitioning service

members. The loss of funds if the bill were not passed would be greater than tuition payments alone. Students currently using their veterans educational assistance benefits would lose those benefits, potentially putting their educational goals on hold.

Transitioning service members leaving active duty would also lose access to these benefits. These benefits are necessary to allow veterans to transition into new careers. The loss of tuition and fee revenue for the community and technical colleges would be about \$44 million. Housing and book allowance funding would be lost as well. The emergency clause is important because the Department of Veterans Affairs will start disapproving programs beginning in July of this year.

(Opposed) None.

Persons Testifying: Representative Kilduff, prime sponsor; Jim Baumgart, Office of the Governor; Scott Copeland, State Board for Community and Technical Colleges; and Maddy Thompson, Washington Student Achievement Council.

Persons Signed In To Testify But Not Testifying: None.